

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING OF SERVICE
PERFORMANCE

Docket No. RM2022-7

**COMMENTS OF THE
UNITED STATES POSTAL SERVICE
(June 3, 2022)**

The United States Postal Service (Postal Service) respectfully submits these comments in response to the Advance Notice of Proposed Rulemaking (ANPR) issued by the Postal Regulatory Commission (Commission) on April 26, 2022, concerning potential changes to existing annual and periodic service performance reporting requirements for the Postal Service's Market Dominant products.¹ The Commission "seeks comments specifically on the usefulness and relevance of the [Commission's proposed] potential new reporting requirements and the frequency of the Postal Service's obligation to provide such corresponding data."² This includes comments about the online dashboard that the Postal Service must establish under the detailed framework set forth in new Section 3692 of Title 39 of the United States Code (U.S.C.), as enacted in the Postal Service Reform Act of 2022 (PSRA).³

Since the enactment of the Postal Accountability and Enhancement Act (PAEA) at the end of 2006, Section 3652(a)(1) of Title 39 of the U.S.C. has required the Postal

¹ See Docket No. RM2022-7, Advance Notice of Proposed Rulemaking to Revise Periodic Reporting of Service Performance, April 26, 2022 (Order No. 6160).

² *Id.* at 4.

³ Postal Service Reform Act, Pub. Law No. 117-108, 136 Stat. 1127 (2022).

Service to provide an annual report to the Commission in sufficient detail to demonstrate whether each Market Dominant product complied with applicable statutory requirements during the year. Concurrently, Section 3653(b)(2) also requires the Commission to make annual written determinations of whether the level of service for each Market Dominant product complied with any service standards in effect. In exercising its authority to determine what data constitute “sufficient detail” for these purposes, the Commission has considered the restraints imposed by Section 3652(e)(1)(B) and has implemented regulations reflecting service performance requirements with which the Postal Service must comply.

While the Postal Service appreciates the Commission’s consideration of potential revisions to the service performance requirements for Market Dominant products codified in 39 C.F.R. part 3055, many of the Commission’s proposals for expanding service performance reporting would be burdensome to satisfy, duplicative of existing reporting, or of limited utility to the Commission and the public. The Commission also fails to provide statutory support for all of its proposed changes, in particular with respect to its contemplated imposition of service performance reporting requirements on nonpostal services. The Postal Service addresses the Commission’s primary questions and comments below.

I. Postal Service’s Online Dashboard

The Commission seeks “comments on implementing the PSRA’s new online dashboard mandate.”⁴ The PSRA provides a helpful roadmap for the Postal Service to establish and operate an online dashboard and includes directives on how and when

⁴ Order No. 6160 at 7.

the Postal Service must confer and work cooperatively with the Commission during this process. The PSRA requires the Postal Service to provide the Commission with “reasonable targets for performance” for Market Dominant products within 60 days of the beginning of the fiscal year in which they will apply.⁵ After receiving the initial performance targets required under the PSRA, the Commission has 90 days to provide the Postal Service with requirements for publishing performance information and related recommendations.⁶ The PSRA also requires that the Postal Service establish an online public website and performance dashboard to present this information.⁷

Notably, the PSRA requires the Postal Service to publish a great deal of information for individual Market Dominant products on its public facing website, including service performance information for different geographic areas, service performance information for different time periods, and comparisons of service performance information for Market Dominant products to service performance information for previous time periods.⁸ In addition, the Postal Service’s interactive website is required to include functionality to enable a user to search for performance information by street address, ZIP Code, or post office box.⁹ The website must also be updated on a weekly basis.¹⁰

In line with the requirements of the PSRA, and to offer the public practical, useful, and readily comprehensible service performance information, the Postal Service is

⁵ 39 U.S.C. § 3692(a)(1).

⁶ 39 U.S.C. § 3692(b)(1)-(2).

⁷ 39 U.S.C. § 3692(c)(1)-(2).

⁸ 39 U.S.C. § 3692(c)(2).

⁹ 39 U.S.C. § 3692(c)(4).

¹⁰ 39 U.S.C. § 3692(c)(1).

working to develop an online dashboard for service performance data of Market Dominant products that is relevant, transparent, informative, and user-friendly. The online dashboard will provide product-level service performance scores for Market Dominant products within the following classes: First-Class Mail, USPS Marketing Mail, Periodicals, and Package Services. Relatedly, Part 121 of Title 39 of the C.F.R. provides service standards for Market Dominant products within the following classes: First-Class Mail, USPS Marketing Mail, Periodicals and Package Services. Because the online dashboard will provide information based on “the organizational structure of the delivery network of the Postal Service,” the Postal Service intends to report performance data at the Area and District levels based on the Postal Service’s current organizational framework, which will produce results that are actionable and promote accountability.¹¹ The Postal Service further intends to undertake routine updating of the dashboard as determined by the Postal Service to ensure the accuracy of the underlying data set. In addition, users will have the option of using a ZIP Code look-up feature that will allow them to see district level performance results, so as to simplify the searching by district or area name.

II. Proposed New Reporting Requirements

A. Reporting Using “Actual Calendar Days”

In its ANPR, “the Commission is considering requiring the Postal Service to report the average actual calendar days to delivery for all Market Dominant products,” asserting that this metric would provide the public with “a picture of the actual service

¹¹ See 39 U.S.C. § 3962(b)(1)(A). For the same reason, beginning in Fiscal Year 2023, the Postal Service will report service performance measurement data to the Commission based on its current organizational structure.

being provided at any given time.”¹² The Commission does not define “average actual calendar days,” and the Postal Service here urges a clarification. In the press releases and election reports to which the Commission alludes,¹³ the Postal Service does indeed denominate average delivery times in units of days; these averages, however, encompass not “all calendar days,” but rather what can more accurately be called *delivery days*—i.e., days in which Market Dominant products are eligible for delivery, excluding Sundays and holidays. To cite a more recent example, the Postal Service issued a press release on May 13, 2022, reporting strong delivery performance across all mail categories for the first part of the third quarter, including an average time of 2.4 days for delivery of mail and packages across the postal network.¹⁴ As in the articles referenced by the Commission, the average delivery time provided in this press release was calculated by counting actual delivery days, not all calendar days. This is because averages that include all calendar days would provide a less accurate and less meaningful picture of actual service performance; they would, for example, artificially inflate average delivery times.

¹² Order No. 6160 at 5.

¹³ *Id.* (referencing United States Postal Service, Press Release, USPS Highest Service Performance Scores Across All Mail Categories Since Pre-2021 Holiday Season (April 1, 2022) at 1, *available at* <https://about.usps.com/newsroom/national-releases/2022/0401-usps-highest-service-performance-scores-across-all-mail-categories.htm> (reporting that “[a]verage mail delivery time across nation remains 2.7 days”)); United States Postal Service, Press Release, 2020 Post-Election Analysis: Delivering the Nation’s Election Mail in an Extraordinary Year (January 12, 2021) at 2, *available at* https://about.usps.com/newsroom/national-releases/2021/usps_postelectionanalysis_1-12-21_georgia.pdf (explaining that overall the Postal Service “delivered ballots to voters in 2.1 days” and “delivered ballots from voters to election officials in just 1.6 days”).

¹⁴ United States Postal Service, Press Release, 94 Percent First Class Mail, 95 Percent Marketing Mail Delivered On-Time in First Week of May (May 13, 2022), *available at* <https://about.usps.com/newsroom/national-releases/2022/0513-national-delivery-time-strong-as-usps-focuses-on-operational-improvements.htm>.

Should delivery averages be required, the Postal Service will submit the averages that it currently calculates: that is, averages encompassing delivery days by product and excluding Sundays and holidays. Consistent with other reporting requirements, the Postal Service should be required to report any such additional data quarterly and annually.¹⁵

B. Reporting Root Cause Point Impact Data

Second, “the Commission intends to require the Postal Service to report root cause point impact data for all Market Dominant products,” contending that “[t]hese data are useful in isolating significant drivers of delay for an individual product and have been previously provided by the Postal Service as part of the Annual Compliance Review proceedings.”¹⁶ Root cause impact data may well shed light on certain widespread causes of delay. However, the imperative to disaggregate such data for individual Market Dominant products would impose significant burdens while providing negligible insight.

The Postal Service already leverages data on root causes of delay. Those data are organized by mail class, service standard, shape, and entry type level, but are not separated by “product”¹⁷ as defined by 39 U.S.C. § 102(6) (i.e., “a postal service with a distinct cost or product characteristic for which a rate or rates are, or may reasonably

¹⁵ See 39 C.F.R. Part 3055, Subparts A & B; see, e.g., USPS-FY21-29 (Dec. 29, 2021); see also, e.g., FY 2022 Quarter 1 Service Performance Measurement Data (Feb. 9, 2022).

¹⁶ Order No. 6160 at 5 (explaining that the term “point impact” “refers to the amount (number of percentage points) by which on-time performance decreased to a specific root cause of failure.”

¹⁷ See, e.g., Docket No. ACR2021 (Dec. 29, 2021), Library Folder USPS-FY21-29, Excel files “FY21 FCM Q1 Point Impact for Area.xlsx,” “FY21 FCM Q1 Point Impact for Nation.xlsx,” “FY21 Marketing Mail Root Cause.xlsx,” “FY21 Periodicals Root Cause.xlsx.”

be, applied”¹⁸)—and for good reason. The number of discrete Market Dominant products is significantly larger than the processing mechanisms and operational methodologies that are applied to them; and it is these mechanisms and methodologies that are vulnerable to root cause impacts. Thus, to choose but one example, flats of different classes are processed on the same equipment and are dispatched in similar flows; a root cause affecting one will therefore affect the other, in much the same way and to much the same extent. To disaggregate root cause data across multiple discrete products would therefore, at best, generate unnecessary duplications; at worst, it could sow confusion as to the scale on which those causes operate.

It would also impose unjustifiable burdens. The resource commitments required by such a task would be considerable. As the root cause data for Marketing Mail is not currently divided by product or rate category, a product-level disaggregation of root cause point impact data would require nine distinct reports (an expansion from the one report currently submitted) to reflect the different rate categories for USPS Marketing Mail alone. Development work would be required to populate root cause point impact source tables with new columns—e.g., a new “periodical county” column, columns for USPS Marketing Mail’s various rate categories, etc. The extra data storage arising from the new requirements would require continuous monitoring. And root cause point impacts would need to be developed before they can be provided for Media Mail/Library Mail and Bound Printed Matter. The Postal Service estimates that, taken together, the initial preparations required to fulfill these additional burdensome reporting requirements would require the allocation of eight additional employees, each of whom would devote

¹⁸ 39 U.S.C. § 102(6).

approximately 1000 workhours to related tasks at an average cost of \$130 per hour. The price would therefore rise to approximately \$1 million just for initial preparations; maintenance of the new reporting systems, once they are established, would cost an additional \$130,000 annually. These estimates, moreover, do not account for the less quantifiable but equally real opportunity costs arising from the diversion of human resources from other important projects.¹⁹

In sum, if added to the Postal Service's current reporting practice, reports on root cause impacts by product would provide few or no benefits; and if provided in lieu of the Postal Service's current reporting practice, such reports would arguably obscure, rather than illuminate, the most pervasive root causes of delay. In either case, it would entail significant costs. The Postal Service therefore recommends that the Commission reconsider its stated intention. The Postal Service further requests that any reporting requirements imposed by the Commission reflect the Postal Service's current organizational structure and conform to already existing reporting frequencies, that is, that root cause impact data be broken down by the Postal Service's current Regions and Divisions, and that it be reported quarterly and in the Annual Compliance Report, in alignment with the Commission's current reporting requirements.²⁰

C. Reporting Performance for National Plan Targets

Third, the Commission "intends to require the Postal Service to report the

¹⁹ Note that these estimates assume that reports will be issued on a quarterly basis and will remain in line with current reporting requirements. Should the reports be issued more frequently and/or contain more granular detail than is currently provided, the costs would likely rise by orders of magnitude.

²⁰ See Fiscal Year 2021 Annual Compliance Determination, Docket No. ACR2021, March 29, 2022, at 167.

performance for each national operating plan target (also referred to as the 24-Hour Clock national clearance goals) for all Market Dominant products,” reasoning that “[t]hese data are useful in isolating bottlenecks in processing that are causing the most significant negative service impacts on each product,” and that such information has been provided as part of the Annual Compliance Review proceedings.²¹ The Postal Service currently collects service performance data for Market Dominant Products. National operating plan targets for Market Dominant products are currently broken out by shape, direction (i.e., incoming or outgoing) and certain sortation levels and do not delineate, for example, between First-Class Mail and other letters and flats. Because the primary driver of service performance is mail processing, the Postal Service collects and analyzes operation and volume information by utilizing scans and piece-level data. Operating plan reports are updated twice daily and provided to personnel in the field—including plant support staff, plant managers and division directors—which enable the Postal Service to, among other things, identify and address bottlenecks impeding service. Given that the Postal Service already collects and compiles these data for internal purposes, the Postal Service requests that any reporting requirements imposed by the Commission conform to already existing format and practices, namely, that the data be broken down by the Postal Service’s current Regions and Divisions, and that the Postal Service be required to report this data quarterly and with its Annual Compliance Report, in alignment with the Commission’s current reporting requirements.²²

²¹ Order No. 6160 at 5-6.

²² See Fiscal Year 2021 Annual Compliance Determination, Docket No. ACR2021, March 29, 2022, at 167.

D. Reporting Requirements for Nonpostal Services

Fourth, “the Commission intends to create reporting requirements for the quality of service for all of the Postal Service’s nonpostal [services], which it will set out in the previously reserved 39 CFR 3055.25.”²³ Although the Postal Service does offer competitive nonpostal services, as set forth in Section 2700 of the Mail Classification Schedule (MCS), the Commission appears to have limited the scope of this proceeding only to Market Dominant products (i.e., those in MCS § 1700), even though it used the term “all” as to nonpostal services in the preceding quote. For example, in the introduction to the ANPR, the Commission notes that it initiated this proceeding “to consider revisions to update the existing annual and periodic service performance reporting requirements for the Postal Service’s Market Dominant products, which are codified in 39 CFR part 3055, subparts A and B, as well as related revisions consistent with the PSRA.”²⁴ Of note, 39 C.F.R. part 3055 subparts A and B both concern reporting of service performance achievements for Market Dominant products. Therefore, the Postal Service’s comments are only limited to Market Dominant nonpostal services.

²³ Order No. 6160 at 6; see also Docket No. RM2009-11, Notice of Proposed Rulemaking on Periodic Reporting of Service Performance Measurements and Customer Satisfaction, Sept. 2, 2009 at 9, FN10, 23 (Order No. 292) (discussing service requirements for Market Dominant products, and finding “[n]onpostal products are another category of products that may require special consideration, [but] [a]t this time, nonpostal products are not specifically addressed by this rulemaking other than reserving space for future use” in §3055 for after “these products have been added to the Market Dominant product list.”) It should be noted that Title 39 consistently uses the defined term “nonpostal services,” as distinct from the defined term “products” used in connection with postal services, compare 39 U.S.C. §§ 102(5)–(6) with §§ 404(e), 3702–3705, save for two unexplained references to “nonpostal products or services” in the prefatory § 3701 and in the cross-referential § 404(e)(2).

²⁴ Order No. 6160 at 1.

Construed in light of the overall statutory scheme, the only nonpostal services that could be subject to quality-of-service reporting are the two Market-Dominant nonpostal services grandfathered in under 39 U.S.C. § 404(e): (1) alliances or agreements with the private sector entities for the provision of a core postal function or the funding of the function; and (2) philatelic sales.²⁵ Philatelic sales are already included in service performance measurement and reporting via the Stamp Fulfillment Services product.²⁶ With respect to private-sector alliances or agreements, such agreements are not amenable to meaningful quality-of-service measurement, and, accordingly, there is no basis to establish reporting rules for that service.

As an initial matter, Congress has not imposed service performance reporting requirements on nonpostal services *per se*. Section 3691 requires the Postal Service, in consultation with the Commission, to establish service standards and service performance measurement systems for Market Dominant products. Section 3652, in turn, establishes specific reporting requirements for Market Dominant products. In contrast, there are no such service standards or performance reporting requirements for competitive products. For this reason, the Commission and the Postal Service have consistently understood statutory service performance measurement and reporting

²⁵ See Mail Classification Schedule § 1700.1 (“nonpostal service” is “any service authorized by the Commission that is not a postal service” which involves “any ongoing, commercial activity offered to the public for the purpose of financial gain”).

²⁶ 39 C.F.R. § 122.2(e) (providing a service standard for order fulfillment with respect to “Philatelic/Custom and All Other Order Sources”); *id.* § 3055.65(d)(1) (requiring reporting for Stamp Fulfillment Service “by customer order entry method”); Docket No. RM2011-14, Order Establishing Final Rule Concerning Periodic Reporting of Service Performance Measurements for Stamp Fulfillment Services (Nov. 4, 2011), at 5 (Order No. 947) (explaining that “customer order entry method” includes the Philatelic/Custom/Other line item); *see, e.g.*, U.S. Postal Serv., FY 2022 Quarter 2 Service Performance Measurement Data (May 10, 2022), Microsoft Excel file “Special Services 222 Scores Report.xls”, tab “Special Services Narrative” (“This report includes the on-time performance and service variance results for . . . Philatelic / Custom & All Other Order Sources with Ten-Day service standard[.]”).

requirements to apply only to Market Dominant products, and not to competitive products. Nor did Congress specify service performance measurement and reporting for any and all nonpostal services grandfathered under Section 404(e); rather, such measurement and reporting would flow only, if at all, from such services' regulation as Market Dominant products pursuant to Section 404(e)(5).

Congress is presumed to have been aware of this overall regulatory scheme when it enacted Chapter 37.²⁷ Notably, Chapter 37, like Section 404(e), contains no language categorically specifying service performance measurement and reporting requirements for nonpostal services as such. To be sure, Section 3705(a)(1) requires the Postal Service to submit to the Commission “a report that analyzes costs, revenues, rates, *and quality of service* for each agreement or substantially similar set of agreements for the provision of property or nonpostal services under Chapter 3703 or the program as a whole under Chapter 3704, and any other nonpostal service authorized under this chapter” (emphasis added). However, this language simply mirrors the longstanding language in Section 3652(a)(1), which has never been interpreted as creating a freestanding service performance reporting requirement for products not already subject to the more prescriptive requirements in Sections 3652(a)(2)(B) and 3691—that is, for products other than Market Dominant products. Identical language in the two sections, which concern similar subject matter, should be construed *in pari materia*. Chapter 37 does not provide for any services offered

²⁷ See *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 156 (2000) (finding that Congress is assumed to be aware of regulatory history applying existing statutes to tobacco products); *Citizens Against Casino Gambling in Erie County v. Chaudhuri*, 802 F.3d 267, 287 (2d Cir. 2015) (“We presume that Congress was familiar with the regulatory definition of these terms when enacting [the relevant statute] because Congress is ‘aware of existing law when it passes legislation.’” (quoting *Miles v. Apex Marine Corp.*, 498 U.S. 19, 32 (1990))).

thereunder to be regulated as Market Dominant products other than already-grandfathered services under Section 404(e)(5). Given the presumption that Congress knew what it was doing in mirroring a preexisting regulatory scheme, the natural conclusion is that the reference to “quality of service reporting” should extend no farther than it does under Section 3652, and therefore only, at most, as far as any Section 404(e) services are classified as Market Dominant.

Moreover, Section 3705(a)(1) goes on to clarify that any such reporting must be “in sufficient detail to demonstrate compliance with the requirements of *this chapter*” (emphasis added). The purpose of this mandatory reporting scheme, of course, is to determine compliance. Chapter 37, however, imposes no service standards with which Chapter 37 services could comply or against which their achievement could be measured. Indeed, the only oblique reference to service “quality” elsewhere in Chapter 37 is in Section 3703(a)(1)(A), which states that the Postal Service may provide property or nonpostal services on behalf of state, local, or tribal governments only if, among other things, such property or services “provide enhanced value to the public, such as by . . . raising the quality of such services.” This is not a substantive standard and, as such, there is no possible level of “quality of service” reporting that could demonstrate compliance with Chapter 37. Once again, such reporting can be meaningful only to the extent that service standards might be established for any Market Dominant grandfathered nonpostal services under Section 3691.

Insofar as those specific services are concerned, service performance measurement and reporting has already been resolved for one such service and would be meaningless for the other. In the first instance, fulfillment of Philatelic Sales orders

is already measured and reported via the Stamp Fulfillment Services product.²⁸ The second service at issue encompasses two alliances with private-sector entities to publish change-of-address and postal-retail-location information in exchange for a share of advertising revenue. It is difficult, if not impossible, to conceive of what “service performance” might mean in this context. Correspondingly, the service is not amenable to any system of service performance measurement and reporting.²⁹

E. Reporting Disaggregated Service Performance Data

Fifth, the Commission “is considering requiring the Postal Service to regularly report: (a) mail excluded from measurement, disaggregated by reason(s) for exclusion; and (b) mail volumes measured and unmeasured by Full Service Intelligent Mail barcode.”³⁰ Specifically, the Commission invites comments on whether certain reporting requirements regarding exclusion information should be codified, as well as on whether any modifications to these requirements are warranted.³¹ The Commission also “invites comments on how best to align the reporting requirements geographically.”³²

The Postal Service reports its Market Dominant performance results by product on a quarterly and annual basis, separately for the different USPS Marketing Mail and

²⁸ *Supra*, note 26.

²⁹ Should the Commission determine the Postal Service is required to report service performance data for the nonpostal services at issue, the Postal Service would expect to receive a semi-permanent exception from service performance reporting for the latter service because it is not susceptible of meaningful service performance measurement under 39 C.F.R. § 3055.3(a)(2). *Cf.* Docket No. RM2010-14, Order Approving Semi-Permanent Exception from Periodic Reporting of Service Performance Measurement for Applications and Mailing Permits, Oct. 27, 2010 (Order No. 570).

³⁰ Order No. 6160 at 6.

³¹ *Id.* at 7.

³² *Id.*

Periodicals products,³³ and it provides regular disaggregated reporting under 39 C.F.R. Part 3055, which includes separate letter and flats products.³⁴ The Postal Service further reports publicly on a quarterly basis on mail in measurement.³⁵ To be included in mail in measurement, mail must be Full Service, meet certain business rules, and utilize the Intelligent Mail barcode.³⁶ This reporting thus affords a transparent view into how much mail is in measurement. Moreover, the Postal Service reports quarterly on volume excluded from measurement as well as on percentages of volume by reason for exclusion.³⁷

As the Commission notes, these reporting requirements were originally designed to “enhance the quality and completeness of service performance data.”³⁸ The extensive data collection and reporting that the Postal Service already performs, and that the Commission has implicitly treated as sufficient to accomplish this stated goal, provides ample clarity into the quantity and impact of mail excluded from Postal Service measurement. There is no reason to think that modifications requiring extra reporting would prove in any way useful; indeed, it is unclear just what any such modifications might entail. The Postal Service, therefore, urges that the reporting practices currently in place not be supplemented with additional requirements.

³³ See 39 C.F.R. Part 3055, Subparts A & B; see, e.g., USPS-FY21-29 (Dec. 29, 2021); see also, e.g., FY 2022 Quarter 1 Service Performance Measurement Data (Feb. 9, 2022).

³⁴ See USPS-FY21-29.

³⁵ See, e.g., FY 2021 Q4 Service Performance Measurement System – Audit Report, Audit Response, and Measured/Unmeasured Volumes Report (Nov. 29, 2021).

³⁶ See *id.*

³⁷ See *id.*

³⁸ Order No. 6160 at 6.

In response to how best to align the reporting requirements geographically, the Postal Service proposes to provide quarterly and annual service performance results to the Commission for Market Dominant products using only the Postal Service's current Area and District structure beginning in Fiscal Year 2023. Continuing to report data under the Postal Service's legacy structure does not advance the Postal Service's operational goals because the legacy structure no longer aligns with the Postal Service's lines of responsibility and customers cannot necessarily equate the legacy Areas and Districts, which are no longer in place. Reporting performance results in accordance with the current Area and District structure, on the other hand, aligns with the language of the PSRA, and, accordingly, will ensure alignment between the data that the Postal Service intends to report on its public dashboard and the data that the Postal Service proposes to report to the Commission. In addition, reporting in this fashion would allow the public to assess quality of service. Consistent with this goal, reporting performance results broken down by the Postal Service's current Areas and Districts is the best way to provide the most detailed performance measurement data to the Commission and the public while also producing results that are actionable and promote accountability.

Moreover, any additional public reporting, such as reporting by the Postal Service's legacy Area and District structure, would create a significant additional data collection and reporting burden, and divert limited agency resources away from improving service performance based on the Postal Service's existing lines of

responsibility.³⁹ For example, the Postal Service has evaluated the time necessary to provide quarterly service performance measurement data to the Commission broken down by its legacy seven Areas and 67 Districts, and determined that it would need about two weeks to produce the legacy service performance measurement data reports. The Postal Service would require this additional time to fully run the legacy reporting process and produce and validate the resulting reports.

III. Updating Language of the Reporting Regulations

The Commission announces its “plans to update the terminology used in its requirements where it has become outdated—for instance, with regard to class and product names and performance measurement systems.”⁴⁰ The Commission then “invites suggestions as to what specific terminology should be updated and how to do so.”⁴¹ The Postal Service presents its suggested changes in Annex A.

These suggested updates reflect four types of changes. First, new developments in measurement systems and methods have rendered certain regulations moot: thus, the Postal Service’s iSPM system now measures all Districts, including offshore locations, thereby making § 3055.7 unnecessary; similarly, the Postal Service no longer tracks the number of External First Class Measurement (EXFC) seed mailpieces sent, but instead uses census data and samples volume to determine if signatures are present—a development favoring the deletion of factor (b)(1) in § 3055.65. Second, First-Class Package Service is now classified as a competitive

³⁹ Reporting using only the current Area and District structure also promotes the Commission's objective of avoiding the imposition of “unnecessary or unwarranted administrative expense” on the Postal Service. See 39 U.S.C. § 3652(e)(1).

⁴⁰ Order No. 6160 at 7.

⁴¹ *Id.*

product, and should accordingly be removed from §§ 3055.20 and 3055.45. Third, the current product name “Inbound Letter Post” for inbound, foreign origin letters and flats, is also used in § 3055.20(b). Fourth, the overnight standard no longer exists for single-piece First-Class Mail products,⁴² a fact that informs further suggested emendations to §§ 3055.20 and 3055.45. And lastly, the product formerly known as “Standard Mail” is now called “USPS Marketing Mail,” and the Postal Service suggests that §§ 3055.21 and 3055.50 be amended to reflect this fact.

IV. Conclusion

The Postal Service appreciates the opportunity to comment on this rulemaking and urges the Commission to adopt the Postal Service’s recommendations described herein.

Respectfully submitted,

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⁴² Revised Service Standards for Market Dominant Mail Products, 79 Fed. Reg. 44, 700 (Aug. 1, 2014) (codified at 39 C.F.R. pt. 121).

ANNEX A

~~39 C.F.R. § 3055.7~~

~~3055.7 Special study.~~

~~Included in the second section 3652 report due after this rule becomes final, and every 2 years thereafter, the Postal Service shall provide a report, by class of mail, on delivery performance to remote areas of the Alaska, Caribbean, and Honolulu districts.~~

...

39 C.F.R. § 3055.20

§ 3055.20 First-Class Mail.

- (a) Single-Piece Letters/Postcards, Bulk Letters/Postcards, and Flats and Parcels. For each of the Single-Piece Letters/Postcards, Bulk Letters/Postcards, and Flats and Parcels products within the First-Class Mail class, report the on-time service performance (as a percentage rounded to one decimal place), disaggregated by mail subject to the overnight, 2-day, and 3/4/5-day service standards.
- (b) Outbound Single-Piece First-Class Mail International and Inbound Single-Piece First-Class Mail International. For each of the Outbound Single-Piece First-Class Mail International and Inbound ~~Single-Piece First-Class Mail International~~ Letter Post products within the First-Class Mail class, report the on-time service performance (as a percentage rounded to one decimal place).

...

39 C.F.R. § 3055.21

§ 3055.21 ~~Standard Mail~~ USPS Marketing Mail.

For each product within the ~~Standard Mail~~ USPS Marketing Mail class, report the on-time service performance (as a percentage rounded to one decimal place).

...

39 C.F.R. § 3055.45

§ 3055.45 First-Class Mail.

- (a) Single-Piece Letters/Postcards, Bulk Letters/Postcards, and Flats, and ~~Parcels~~. For each of the Single-Piece Letters/Postcards, Bulk Letters/Postcards, and Flats, and ~~Parcels~~ within the First-Class Mail class, report the:

(1) On-time service performance (as a percentage rounded to one decimal place), disaggregated by mail subject to the ~~overnight~~, 2-day, and 3/4/5-day service standards, provided at the District, Postal Administrative Area, and National levels; and

...

39 C.F.R. § 3055.50

§ 3055.50 ~~Standard Mail~~ USPS Marketing Mail.

(a) For each product within the ~~Standard Mail~~ USPS Marketing Mail class, report the on-time service performance (as a percentage rounded to one decimal place), disaggregated by the Destination Entry (2-day), Destination Entry (3-day through 4-day), Destination Entry (5-day through 10-day), End-to-End (3-day through 5-day), End-to-End (6-day through 10-day), and End-to-End (11-day through 22-day) entry mail/service standards, provided at the District, Postal Administrative Area, and National levels.

(b) For each product within the ~~Standard Mail~~ USPS Marketing Mail class, report the service variance (as a percentage rounded to one decimal place) for mail delivered within +1 day, +2 days, and +3 days of its applicable service standard, disaggregated by the Destination Entry (2-day), Destination Entry (3-day through 4-day), Destination Entry (5-day through 10-day), End-to-End (3-day through 5-day), End-to-End (6-day through 10-day), and End-to-End (11-day through 22-day) entry mail/service standards, provided at the District, Postal Administrative Area, and National levels.

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39 C.F.R. § 3055.65

§ 3055.65 Special Services.

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~~(1) The number of EXFC seed mailpieces sent;~~

~~(2)~~(1) The percentage of green cards properly completed and returned;

~~(3)~~(2) The percentage of green cards not properly completed, but returned;

~~(4)~~(3) The percentage of mailpieces returned without a green card signature; and

~~(5)~~(4) The percentage of the time the service meets or exceeds its overall service standard.